

# Net Income from Farming<sup>1/</sup>

	2003 <sup>2/</sup>	2004 <sup>2/</sup>	2005 <sup>2/</sup>	2006 <sup>2/</sup>	2007
-----1,000 Dollars-----					
Value of crop production	538,365	601,949	622,902	594,083	705,309
Value of livestock production	1,565,323	1,995,041	2,053,715	1,895,866	2,306,709
Revenues from services and forestry	176,889	172,979	239,586	258,785	282,151
Machine hire and custom work	16,382	9,169	27,999	21,391	25,556
Forest products sold	4,500	4,500	4,500	4,500	4,600
Other farm income	83,991	62,585	73,537	79,592	78,223
Gross imputed rental value of farm dwellings	72,016	96,725	133,550	153,302	173,772
<b>Value of Agricultural Sector Production</b>	<b>2,280,577</b>	<b>2,769,970</b>	<b>2,916,203</b>	<b>2,748,733</b>	<b>3,294,169</b>
less: Purchased inputs	1,382,789	1,488,455	1,641,213	1,814,102	1,939,846
Farm origin	815,004	941,058	988,850	1,073,299	1,193,910
Feed purchased	424,467	465,279	500,748	614,478	748,494
Livestock and poultry purchased	366,206	454,026	460,355	430,804	419,979
Seed purchased	24,331	21,750	28,017	28,017	25,437
Manufactured inputs	148,066	154,302	187,872	198,229	217,998
Fertilizers and lime	29,647	31,635	41,426	44,585	49,895
Pesticides	21,394	21,540	24,069	24,833	24,451
Petroleum fuel and oils	56,413	65,654	80,934	88,841	99,861
Electricity	40,612	34,473	41,443	39,970	43,791
Other purchased inputs	419,719	393,095	464,491	542,574	527,938
Repair and maintenance of capital items	81,515	85,773	91,771	109,399	115,181
Machine hire and custom work	25,207	21,465	15,931	22,177	24,674
Marketing, storage, and transportation expenses	82,057	72,812	102,568	116,050	96,631
Contract labor	17,224	26,761	24,136	30,148	37,961
Miscellaneous expenses	213,716	186,284	230,085	264,800	253,491
plus: Net government transactions	64,105	49,003	81,687	42,223	20,324
+ Direct government payments	92,920	78,558	116,636	82,602	66,956
- Motor vehicle registration and licensing fees	5,727	5,579	5,644	4,858	5,783
- Property taxes	23,088	23,976	29,305	35,521	40,849
<b>Gross Value Added</b>	<b>961,893</b>	<b>1,330,518</b>	<b>1,356,676</b>	<b>976,855</b>	<b>1,374,647</b>
less: Capital consumption	116,101	126,838	143,756	154,268	161,369
<b>Net Value Added</b>	<b>845,792</b>	<b>1,204,680</b>	<b>1,212,920</b>	<b>822,587</b>	<b>1,213,278</b>
less: Payments to stakeholders	306,287	324,767	382,349	393,414	391,524
Employment compensation (total hired labor)	176,081	192,711	231,661	239,340	242,431
Net rent received by nonoperator landlords	36,443	37,592	43,448	40,350	27,904
Real estate and nonreal estate interest	93,763	94,464	107,240	113,724	121,189
<b>Net Farm Income</b>	<b>539,505</b>	<b>878,913</b>	<b>830,571</b>	<b>429,173</b>	<b>821,754</b>

<sup>1/</sup> Value of agricultural sector production is the gross value of the commodities and services produced within a year. Net value-added is the sector's contribution to the national economy and is the sum of the income from production earned by all factors of production. Net farm income is the farm operators' share of income from the sector's production activities. The concepts presented are consistent with those employed by the Organization for Economic Cooperation and Development (OECD).

<sup>2/</sup> Revised.

SOURCE: USDA, Economic Research Service.